

Required Monitoring of IRS Contribution Limits for Investment Plan Members

In February 2025, the Investment Plan Administrator (Alight Solutions) will send an email notification to Retirement Coordinators and/or Payroll Officers with members whose Investment Plan accounts either:

- Have reached the Internal Revenue Code (IRC), Section 415 contribution limits; or
- Have missing, inaccurate, or insufficient information.

IRC Section 415 limits employer and employee contributions to the Investment Plan. The FRS performs testing on a semiannual basis to ensure we are in compliance with these limits. This monitoring is an important part of maintaining the FRS's status as a governmental IRC tax-qualified plan.

A sample of the Section 415 email notification is shown at right. For additional information, refer to the Frequently Asked Questions on pages 2 and 3.



Sample Section 415 Email Notification

Dear Florida Retirement System (FRS) Retirement Coordinator/Agency Payroll Officer:

Employer and employee contributions to the Investment Plan are limited by the Internal Revenue Code (IRC), Section 415. This information is monitored by the Investment Plan Administrator for your employees enrolled in the Investment Plan based on the information submitted to the Division of Retirement on your agency's monthly retirement reports. This testing is performed on a semiannual basis to ensure compliance with the IRS limits. This monitoring is an important part of maintaining the FRS status as a governmental IRC tax-qualified plan. To properly monitor the contribution limits for Investment Plan members, accurate information must be received.

A review has been performed of your employees enrolled in the Investment Plan and we have determined that there are employees who have missing, inaccurate, or insufficient information for the 415 Eligible Compensation that is needed to test the 415 federal limits. We are not able to test for exceeding the federal limits. For calendar year 2024 IRC limits, the total contributions to a defined contribution plan(s) is the lesser of \$69,000 or \$76,500 if the member is over age 50, or 100% eligible 415 compensation. You have 141 impacted members. The following is a sample of members that are impacted. To receive the full and more detailed list of the impacted members, please contact the Investment Plan Administrator by calling the toll-free MyFRS Employer Assistance Line at 1-866-377-2121, Option 3.

The below members were reported with missing or insufficient data:

415 Limit - Compensation Missing	415 Limit - Exceeded	Insufficient Data	Birth Year	Full Name
YES	N/A	YES	1961	DOE, JANE
YES	N/A	YES	1985	DOE, JOHN
YES	N/A	YES	1998	SMITH, JANE
YES	N/A	YES	1959	SMITH, JOHN
YES	N/A	YES	1989	DOE, JANE
YES	N/A	YES	1997	SMITH, JOHN
YES	N/A	YES	1969	DOE, JOHN
YES	N/A	YES	1974	SMITH, JANE
YES	N/A	YES	1992	DOE, JANE



Frequently Asked Questions About IRC Section 415

Why did I receive the email notification?

It was determined that there are Investment Plan members employed by your agency who have reached the 415 contribution limits and/or this information is not being reported correctly to the Division of Retirement.

Where on the monthly retirement report should this information be reported?

The 415 Eligible Compensation field immediately follows the Annualized Salary Amount field on the monthly retirement report.

What information should be included in this field?

You need to include the total year-to-date 415 eligible compensation the member has received up to the date the retirement report is submitted. This is the total compensation an employee received, not the total employer and employee contributions. This amount will increase each month and is based on calendar year contributions, **not fiscal year**, and will reset each January. This information should be included for all Investment Plan members, and not just for those listed on the notification email. For example, when you report 415 eligible compensation for a member who has earned \$25,000 in eligible compensation through December 2024, the \$25,000 should be reported on the December 2024 monthly retirement report in the Year-to-Date 415 Eligible Compensation field.

How do I know if I am reporting 415 information on our monthly retirement report?

Review the monthly report you submit to the Division of Retirement to see if 415 information is included in the 415 Eligible Compensation field. Make sure the retirement plan codes are updated for members and reported correctly to the Division in a timely fashion.

Continues on next page.

For More Information

For additional information, review these pages in the Division of Retirement's [FRS Pension Plan Employer Handbook](#):

- [Chapter 3](#), pages 3-15 through 3-18
- [Chapter 4](#), pages 4-5 through 4-6

If you have questions about the 415 Eligible Compensation or 415 Contribution Limits, contact the Investment Plan Administrator:

FRS Employer Assistance Line
1-866-377-2121, Option 3



Frequently Asked Questions About IRC Section 415 – continued

What other information is needed to perform 415 testing?

No additional information is needed if you are reporting employees correctly on your monthly retirement report, which includes the resubmittal of Loss of Service Errors (LOSE). It is important that your employees are reported with correct salary information and retirement plan codes. If an Investment Plan member is incorrectly reported with a Pension Plan retirement plan code, that member's 415 eligible compensation information will not be sent to ALight and cannot be monitored, regardless of the data entered in the 415 Eligible Compensation field.

Do these limits also apply to any other eligible employer-sponsored plans in which the member participates outside of the FRS?

Yes. If members are making additional contributions to other employer-sponsored defined contribution accounts, such as 457(b), 403(b), 401(a), and 401(k) accounts, the contributions for these plans should also be reported to the Division of Retirement as part of your regular monthly retirement report so that they can be included in the limit tests.

What is considered 415 compensation and what amounts should be included when reporting this compensation?

This is a determination that should be made by your agency. You should consult with your tax advisor in reference to Treasury Regulations and what amounts to include in the calculation.

FRS Member Satisfaction Survey Coming in January



In January, your employees who are members of the Investment Plan will receive an email inviting them to complete an important survey about their satisfaction with the services provided by the Investment Plan Administrator. Encourage your employees to complete the survey as soon as possible. Their responses will help us identify areas that need improvement.



FRS Retirement Seminar Available

A one-day workshop is available to help your employees plan for their financial future. The “FRS Retirement Seminar” was developed by both the Department of Management Services (DMS), Division of Retirement, and the State Board of Administration. It is conducted by experienced financial planners from EY and offers three to five presentations based on your agency’s needs. If you wish to schedule the one-day workshop, three of the presentations are required to be presented, one is optional, and one is targeted toward state agencies and state colleges. The presentations include:

- Understanding Your Benefits Under the FRS Pension Plan **(required presentation)**
- Protecting Yourself and Your Loved Ones **(required presentation)**
- Social Security and Your Retirement **(required presentation)**
- Understanding the FRS Investment Plan **(optional)**
- Group Health Insurance **(state agencies & state colleges only)**

Employees are not required to attend all presentations but rather can pick and choose the presentations they are interested in and that fit their schedule. All workshops require a minimum of 25 attendees.

Workshops are offered via Zoom or in-person. These workshops are free of charge to all FRS members. To schedule a workshop, call the FRS Employer Assistance Line toll-free at 1-866-377-2121, Option 1.

How to Keep Up with Florida Legislation

To keep up with proposed 2025 retirement bills, click “**Legislation**” in the “**Recent News Articles**” box on [MyFRS.com](https://www.myfrs.com). The 2025 Florida Legislative Session will begin on March 4, 2025 and end on May 2, 2025.



Procedures for Resolving Complaints from FRS Members

FRS members who are dissatisfied with the services of an Investment Plan or MyFRS Financial Guidance Program provider, have the right to file an FRS Investment Plan Request for Intervention.

Interventions may include unresolved customer service complaints involving services or transactions, allegations of misconduct, or allegations of misrepresentation.

An investigation will be conducted, and the State Board of Administration (SBA) will issue a final agency action letter detailing the SBA's findings, any proposed resolution, and information on the next steps in the dispute resolution process.

For more information, download [How to File a Complaint Procedure Under the FRS Investment Plan](#).

You Can View Prior Final Orders

If an FRS member disputes the SBA's final agency action letter, they have an opportunity to submit a Petition for Hearing where a Final Order is issued. You can view a list of [final orders](#) that have been issued by the SBA. The list is updated as new final orders are issued.

If you have any questions regarding the final orders, contact the SBA, as follows:



850-413-1499



DefinedContributionPrograms@sbafla.com



Investment Plan Complaint Resolution
Office of Defined Contribution Programs
State Board of Administration of Florida
P.O. Box 13300 Tallahassee, FL 32317-3300



850-413-1489



Attend an FRS Employer Training Workshop

FRS employer training workshops are an excellent opportunity for you and your staff to receive an overview of the FRS plans and the various areas, functions, and processes that involve your agency and its employees. View the online [workshop calendar](#) for a list of in-person and Zoom workshops being offered.

Upcoming Workshops

Pension Plan	Investment Plan
8:30 to 11:30 a.m. ET	1:00 to 4:00 p.m. ET
February 11, 2025	February 11, 2025
May 1, 2025	May 1, 2025
August 4, 2025	August 4, 2025
November 6, 2025	November 6, 2025



To register:

By phone (in-person or Zoom):

1-866-377-2121, Option 1

Be ready to provide your name, your contact information, the date and time of the workshop you want to attend, and the number of people from your agency who will be attending.

Online (Zoom only):

- Go to the [workshop calendar](#).
- Locate the employer workshop you want to attend (in-person or via Zoom), then register.
- You will receive a confirmation email after registering. Zoom registrants will receive a reminder email the day before the webinar.

You must register separately for each workshop you wish to attend.

Free Financial Planning Workshops for Employees

The following 2025 live webinars are free and unlimited for FRS members. To schedule an in-person workshop or live webinar for your FRS employees, please reach out to Angela Ko by email at Angela.Ko@ey.com or by telephone at 201-872-0176.

January 8	Income Tax Planning	10:00 a.m. to Noon
January 8	Taking Control of Your Finances: 60 Minutes	1:00 to 3:00 p.m.
January 9	Education Planning	10:00 a.m. to Noon
January 9	Investment Planning	1:00 to 3:00 p.m.
April 1	Using the FRS to Plan for Your Retirement	10:00 a.m. to Noon
April 1	Using the FRS to Plan for Your Retirement (SPANISH) Zoom Only	1:00 to 3:00 p.m.
April 2	New Employee Retirement Plan Choice	10:00 a.m. to Noon
April 2	New Employee Retirement Plan Choice (SPANISH) Zoom Only	1:00 to 3:00 p.m.
July 1	Taking Control of your Finances: 90 Minutes	10:00 a.m. to Noon
July 1	Protecting Yourself and Your Loved Ones	1:00 to 3:00 p.m.
July 2	Understanding the FRS Investment Plan	10:00 a.m. to Noon
July 2	Investment Planning	1:00 to 3:00 p.m.
October 1	Social Security and Your Retirement	10:00 a.m. to Noon
October 1	Understanding Your Benefits Under the FRS Pension Plan	1:00 to 3:00 p.m.
October 2	Nearing Retirement in the FRS	10:00 a.m. to Noon
October 2	Group Health Insurance (state employees & state college employees only)	1:00 to 3:00 p.m.

ALL TIMES ARE ET

To register:

By phone (in-person or Zoom):

1-866-446-9377, Option 2

Online (Zoom only):

- Go to the [workshop calendar](#).
- Locate the employee workshop you want to attend (in-person or via Zoom), then register.
- You will receive a confirmation email after registration. Zoom registrants will receive a reminder email the day before the webinar.

Employees must register separately for each workshop they wish to attend.



Upcoming 1st Election Deadlines

Making an active retirement plan choice by the election deadline is the best way for members to ensure they participate in their preferred plan. Members should be encouraged to make an active election even if their preferred plan is the default. **Receiving a new hire kit and/or election reminder notification, such as a letter or email, means the member is in their retirement plan choice period and must make an active election or they will be defaulted into the Investment Plan (or Pension Plan if they are in the Special Risk Class). If you receive inquiries from employees regarding a reminder notice or how to make an election, please refer them to the MyFRS Financial Guidance Line at 1-866-446-9377, Option 2 (TRS 711).**

Deadline dates and times apply to all members, no matter how they submit their retirement plan choice. To confirm a new hire's deadline, call the FRS Employer Assistance Line at 1-866-377-2121, Option 3, or refer to the member's benefit comparison statement.

What Happens If a Member Misses the Deadline?

A member whose retirement plan choice is not received by their 1st Election deadline will be enrolled in the default plan based on their membership class, as shown at right.

Continues on next page.



Plan Defaults¹

Membership Class	Plan Default
Special Risk Class	Pension Plan
All classes (except Special Risk Class)	Investment Plan

1st Election Deadlines

Month of Hire	Enrollment Deadline ²
April 2024	December 31, 2024
May 2024	January 31, 2025
June 2024	February 28, 2025
July 2024	March 31, 2025
August 2024	April 30, 2025
September 2024	May 30, 2025
October 2024	June 30, 2025
November 2024	July 31, 2025
December 2024	August 29, 2025
January 2025	September 30, 2025
February 2025	October 31, 2025
March 2025	November 26, 2025

¹ Applies to members initially enrolled in the FRS on or after January 1, 2018.

² By 4:00 p.m. ET.

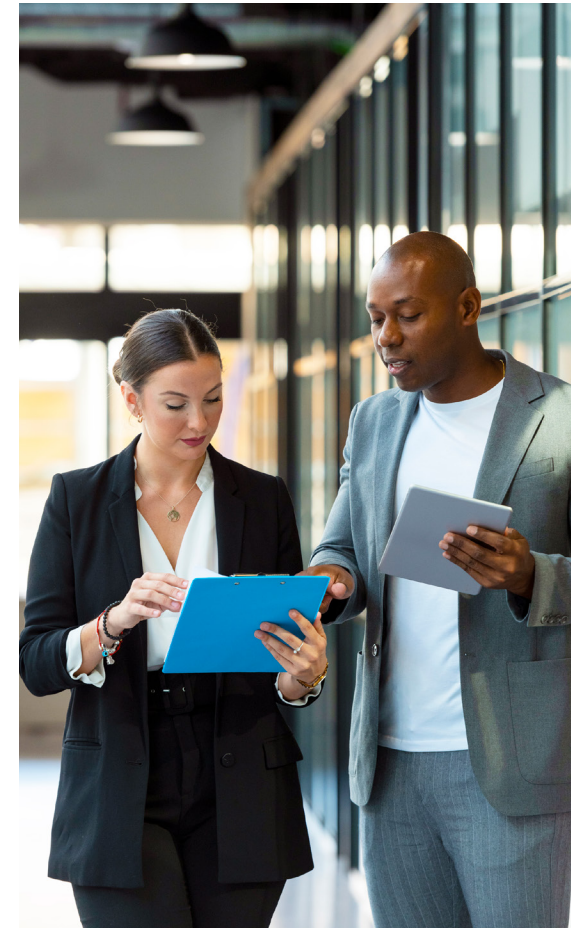
Upcoming 1st Election Deadlines – continued

What About Members with Prior Pension Plan Service?

The plan defaults shown on the previous page apply to any members who did not submit a retirement plan choice prior to January 1, 2018 or did not have a plan choice period – even if they were previously enrolled in the FRS. As a reminder, if a member receives a new hire kit and/or reminder information, they have not made a retirement plan choice in the FRS. If no election is received, they will default into the applicable plan based upon their membership class.

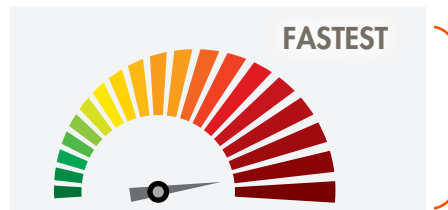
Here's an example of a member who may have previous Pension Plan service and never made a retirement plan choice in the FRS:

- **April 1, 1999** – The member initially enrolls in the FRS. (At that time, the Pension Plan was the only retirement program available, so no retirement plan choice was made.)
- **May 2001** – The member terminates employment.
- **May 1, 2024** – The member returns to work. (The member will be enrolled in the Pension Plan in accordance with Florida Statutes. The member must make an active election prior to the choice period deadline of January 31, 2025, by 4:00 p.m. ET to remain in the Pension Plan.)
- **January 31, 2025** – No election is received for this member.
- **February 1, 2025** – The member will be enrolled in the default plan based on their membership class. (Members in the Special Risk Class will default into the Pension Plan. Members in any other membership class will default into the Investment Plan). If enrolled in the Investment Plan, the member's prior Pension Plan service will be transferred to the Investment Plan as an opening account balance, which is subject to the Pension Plan's vesting provisions.

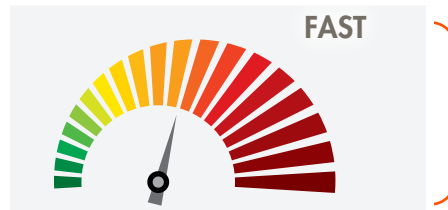


ChooseMyFRSplan.com Is the Fastest Way to Submit a Retirement Plan Choice

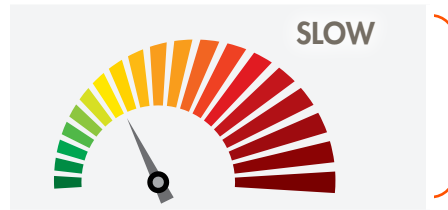
Here are some additional options from next fastest to slowest:



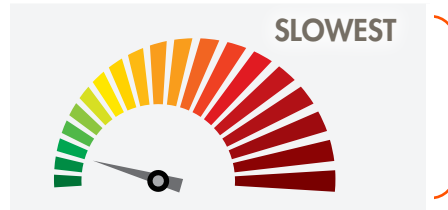
Call the MyFRS Financial Guidance Line at 1-866-446-9377, Option 4 (TRS 711). *This is a good option if the employee has questions.*



Submit the [online EZ Retirement Plan Enrollment Form](#).



Submit the hard copy form available on [MyFRS.com](#):
By Fax: 1-888-310-5559



By Mail:
Plan Choice Administrator
P.O. Box 785027
Orlando, FL 32878-5027

Help Keep Your Co-Workers Informed

If you know a co-worker who should receive this employer newsletter, send an email to allison.olson@sbafla.com with the co-worker's name, title, agency name, and email address.




Remind Members to Keep Beneficiaries Current

Encourage your Investment Plan and Pension Plan members to keep their beneficiaries up-to-date so their benefits (if any) are passed to their named beneficiaries in the event of their death.

Investment Plan Members

Investment Plan members have four options for submitting their beneficiary information:

1. By accessing the online **FRS Investment Plan Beneficiary Designation form** on **MyFRS.com** (accessible without login).
2. By logging in to **MyFRS.com** and clicking “Investment Plan,” then clicking on the “profile”  icon on the top right of the page, then selecting “Beneficiaries” from the drop-down menu.
3. By mailing or faxing an **FRS Investment Plan Beneficiary Designation form (IPBEN-1)**, available online, to the Investment Plan Administrator.
4. By calling the MyFRS Financial Guidance Line at 1-866-446-9377, Option 4 (TRS 711).

Pension Plan Members

Employers can access two reports on FRS Online that identify active Pension Plan members who are missing a beneficiary designation. Please review these reports regularly and direct those employees to name a beneficiary through their FRS Online account.

Active or Inactive Employees

The member can view or update their beneficiary designation at any time using their FRS Online account at frs.fl.gov.

Retired and Receiving a Benefit

The retiree can view their current beneficiary designation and learn how to change their beneficiary designation at any time using their FRS Online account at frs.fl.gov.

EY Is Our Exclusive Financial Planning Partner

The FRS has a contract with EY to provide all FRS members free, unbiased financial planning and counseling services. EY does not sell any investment or insurance products. No other financial planners, financial institutions, or firms are affiliated with or endorsed by the Florida Retirement System, by Alight Financial Solutions, or by Alight Solutions (the Investment Plan Administrator).



Help Keep Members' Names and Addresses Current

Encourage your active, inactive and retired FRS members to keep their contact information current so they don't miss any important communications from you or the FRS.

Investment Plan Members

Active Employees

Names and addresses are automatically updated on the FRS database when you submit your agency's monthly retirement report.

Inactive or Retired

See the online FAQ "[How can I change my name or mailing address if retired or terminated from the Investment Plan?](#)"

Pension Plan Members

Active Employees

Names and addresses are automatically updated on the FRS database when you submit your agency's monthly retirement report.

Inactive (Not Currently Employed)

Address Change – Call the DMS, Division of Retirement.

Retired and Receiving a Benefit

Address Change – The retiree can log in to their FRS Online account at frs.fl.gov to update their address. If you have questions, call the DMS, Division of Retirement.

Name Change – The member must **mail or fax** a signed letter to the DMS, Division of Retirement. The letter must be accompanied by a copy of the court order, marriage certificate, or valid driver's license reflecting the member's new name.

How to Reach the DMS, Division of Retirement



Department of Management
Services, Division of Retirement
P.O. Box 9000
Tallahassee, FL 32315-9000



850-410-2010 (fax)



1-844-377-1888 (toll-free)
or 850-907-6500



Resources

FRS Employer Assistance Line

1-866-377-2121 (toll-free)

EY and Alight Solutions representatives are available from 8:00 a.m. to 6:00 p.m. ET, Monday through Friday, except holidays.

DMS, Division of Retirement staff are available from 8:00 a.m. to 5:00 p.m. ET, Monday through Friday, except holidays.

MyFRS.com Resources

- [Recent News Articles](#) — Keep up with the latest legislation and more
- [Contribution Rates](#) — See “Retirement and Health Insurance Subsidy (HIS) Contribution Rates”
- [Employer Forms](#) and [General Forms](#) — Current forms available to print on demand
- [Employer Handbooks](#) — Technical guides for retirement coordinators, payroll staff, and others who have FRS responsibilities
- [FAQs](#) — Frequently asked questions and glossary
- [Helpful Links/Websites](#) — Links to agencies, departments, and other resources
- [Laws and Rules](#) — Florida Statutes and Administrative Code governing the FRS
- [Order Materials](#) — Online catalog of printed materials that you can order free of charge
- [Public Records](#) — State Board of Administration and DMS, Division of Retirement, Public Records Policy
- [Publications](#) — All available online publications
- [Request for Intervention/Final Orders](#) — Interventions may include unresolved customer service complaints and allegations of misconduct or misrepresentation
- [Videos](#) — New hire, educational, and training videos

Are You Using Outdated FRS Forms?

FRS forms are routinely updated throughout the year. To use up-to-date forms and save paper, go to the [Forms section on MyFRS.com](#) to download and print the forms as you need them.

